Playmaker Capital Inc.
Management's Discussion and Analysis
For the Three Months Ended March 31, 2021

May 13, 2021

The following management discussion and analysis ("MD&A") of the results of the operations and financial position of Playmaker Capital Inc. (the "Company" or "Playmaker") for the three months ended March 31, 2021. This MD&A should be read in conjunction with our condensed unaudited interim financial statements for the three months ended March 31, 2021 ("Interim Financial Statements") and notes thereto. The financial information presented herein has been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). The interim MD&A should be read in conjunction with our MD&A for the year ended December 31, 2020. All figures contained in this MD&A are presented in Canadian dollars.

Description of the Business

Playmaker was incorporated on July 16, 2019, by Certificate of Incorporation issued pursuant to the provisions of the laws of Ontario. The principal business of the Company is to build a collection of premier sports media brands by acquiring complementary businesses at the convergence of sports, media, betting and technology, in order to deliver highly engaged audiences of sports fans to sports betting companies, leagues, teams and advertisers. The Company's head office is located at 446 Spadina Road, Suite 303, Toronto, Ontario, Canada, M5P 3M2.

General Description of the Business

Playmaker is a consolidation of digital sports media assets and technology at the convergence of sports, media, gaming and betting and principally generates revenue from the sale of digital advertisements. Playmaker is building a collection of premier sports media brands, curated to deliver highly engaged audiences of sports fans to sports betting companies, leagues, teams and advertisers. Playmaker is focused on the immediately profitable portion of the iGaming ecosystem and is rolling up digital sports media assets and technology to create an ecosystem of highly engaged sports fans that we will monetize with sports betting companies, leagues, teams, and advertisers.

The team at Playmaker has global experience in the gambling, sports, technology and media industries. This wide range of experience will provide Playmaker insight into markets around the world, and a strong understanding of what is required to scale businesses in this sector. The mandate for target acquisitions is global with a core focus on the United States, Latin America, and Canada. The team's combined experience and network provide a unique and proprietary source of deal flow that will assist the company is accessing opportunities in markets all around the world.

Sports betting regulation is changing on a global stage. The repeal of PASPA in the US in 2018 led to the opening of online gambling and sports betting in many US states, with several more anticipated in the coming years. Canada is currently reviewing its ban on single event wagering, with Bill C-218 currently before the House of Commons. Argentina passed iGaming legislation in December 2018, as did Brazil. Regulated online gambling presents significant opportunity for Playmaker as iGaming companies have consistently spent significant marketing dollars to acquire customers. Playmaker will look to leverage its team's global experience to get first mover positions in these emerging markets in addition to the US.

Playmaker is acquiring companies that fit into one of four key categories of focus. These four verticals will provide Playmaker with the assets necessary to engage and acquire fans to ensure we create a full-service ecosystem. The four key categories are as follows:

1. Large, Diverse, Engaged Fanbases—We need qualified eyeballs that are engaged by great content

2. Variety of Content, Distribution and Revenue Channels—We need a variety of content and distribution channels to capture the widest audience possible whenever they want it and however they want it. We also

need a diversified revenue model to maximize all revenue opportunities and de-risk concentration on any one particular area

3. Influencer Networks and Strong Social Presence—We need influencer networks that are selected carefully to ensure authenticity and relevance to our fans and partners. A strong social presence will ensure that we are relevant to our audience and we stay connected to them

4. Tools to Acquire and Retain Users—We need strong products and retention tools to enhance engagement, promote brand loyalty to achieve our partners monetization objectives

Principal Products and Services

The Playmaker ecosystem is comprised of three principal revenue streams: (i) direct campaigns and programmatic advertising for sports betting and iGaming clients; (ii) advertising with blue chip clients, and (iii) consumer direct. The consumer direct revenue stream is not material.

- Sports Betting and iGaming: Revenue from Sports Betting and iGaming clients is earned via programmatic advertising, direct campaigns and through agencies specializing in gambling clients.
- Advertising: Advertising revenue is generated from traditional blue chip clients including via programmatic advertising, direct campaigns, ad agency and sponsorships.
- Consumer Direct: Revenue is generated direct from consumers via an eCommerce shop on the Dale Albo fan site in Chile.

Growth and Acquisitions

In addition to a plan focused on strong organic growth for Playmaker's first acquired company, Futbol Sites (discussed below), Playmaker has a robust and growing proprietary pipeline that will continue to generate value. In seeking out additional acquisition targets, Playmaker will emphasize (i) significant strategic benefits and synergies, (ii) financial accretion, (iii) equity and/or earn-out sale mechanics and (iv) profitability or a clear path to profitably.

Financings

In January 2021, 55,050,000 preferred units were issued at a price of $0.13 (US$0.10) per unit. Each unit is comprised one Class A Preferred Share and one-tenth of a Class A Preferred Share warrant, (each whole special warrant, a "Special Warrant"). Each Special Warrant entitles the holder to acquire, for no additional consideration, one Preferred Share. Each Special Warrant may be exercised immediately following December 31, 2021 unless a Qualified Event has occurred on or before that date. If a Qualified Event occurs on or prior to that date the Special Warrants will expire. A Qualified Event is defined as a public listing of the Company's shares or a liquidation event.

In connection with the Preferred Share issuances, the Company granted to the agent, 1,311,000 warrants with each warrant allowing the holder to acquire one Series 3 common share. These warrants are exercisable at a price of US$0.10 per common share on the earlier of December 9, 2022 and the date that is twelve months following a public listing of the Company's common shares.

On April 1, 2021, the Company completed an offering pursuant to which it issued 48,000,000 subscription receipts at a price of $0.50 per subscription receipt for gross proceeds of $24,000,000.

The subscription receipts will be indirectly and automatically exchanged for common shares of the resulting issuer upon completion of the proposed reverse takeover of Apolo III Acquisition Corp. ("Apolo") by the Company. The proceeds of the transaction will be held in escrow until that time.

Acquisition of Futbol Sites

On April 1, 2021, the Company acquired all of the issued and outstanding securities in the capital of Futbol Sites LLC ("FSN") and Odenton Company S.A. ("Odenton" and together with FSN, "Futbol Sites") for aggregate consideration of up to $44,012,500 (US$35,000,000).

Futbol Sites is a digital sports media group based in Latin America and the United States. Futbol Sites helps global brands, sports betting companies, and football federations manage their digital assets, while designing and executing powerful fan-oriented strategies. With offices and operations in Argentina, Brazil, Colombia, Chile, Mexico, and the United States, Futbol Sites aims to bridge the gap between brands and fans, using data, technology, and a deep knowledge of the sports industry.

The purchase consideration includes $7,545,000 (US$6,000,000) in cash payable on closing, $5,030,000 (US$4,000,000) in deferred cash payable over the 2 years following closing, $15,718,750 (US$12,500,000) in earnouts based on revenue and earnings in 2021 and 2022, and a $15,718,750 (US$12,500,000) in convertible debentures. The convertible debentures mature 2 years from the closing date and bear interest in an amount of 5% per annum.

If at any time before payment of amounts owing under the convertible debentures, the Company consummates a liquidity event, then effective immediately prior to the completion of such event, the convertible debentures shall be deemed to have been surrendered and converted by the holders thereof into the Company common shares at a price equal to the greater of (i) $0.10 per the Company common share, and (ii) 80% of the per-share price attributed to the Company common shares in connection with the applicable liquidity event.

Futbol Sites delivers, at scale, the coveted sports fan. FSN it uniquely positioned to deliver engaged and loyal sports fans to advertisers and sports betting companies in Latin America and to the US Hispanic market as one of the largest digital sports media companies in the region. The company operates three flagship brands; BolaVip, Futbol Centro América and Redgol, as well as over 10 different fan sites and over 100 social media assets. The BolaVip, Redgol and Futbol Centro America brands are top ranking across the region. BolaVip is focused on South America, Mexico and the US and is available in Spanish, Portuguese, and English. Futbol Centro América is focused on Central America and the Caribbean and Redgol is focused exclusively on the Chilean market where it is the number one digital sports media brand. Futbol Sites' fan sites and social media assets connect the most loyal fans to their favourite teams.

FSN generates revenue from its owned and operated media properties and digital assets. There are six main categories of revenue, five are advertising based and one in direct to consumer. Advertising revenue is generated from Sports Betting and iGaming clients through programmatic advertising, direct campaigns and through agencies specializing in gambling clients. Advertising revenue is also generated from traditional blue-chip clients. This revenue is generated via programmatic advertising, direct campaigns, ad agency and sponsorship. Revenue is generated direct from consumers via an eCommerce operation in Chile.

Futbol Sites is focused on two core geographies, Latin America and the United States. A strong focus on localized content has continued to drive audience growth for Futbol Sites' media properties in these key markets. In addition, in both Chile and Mexico, Futbol Sites has begun to live stream sporting events in partnership with the local rights holders on a revenue share basis. This is another way that Futbol Sites continues to develop new revenue channels.

In the US market, Futbol Sites has seen continued growth in sessions and revenue per session. As the US sports betting market begins to develop, key states require suppliers to have various supplier licenses to offer their services. Futbol Sites is currently licensed in the following seven States in the US as a media supplier: New Jersey, Indiana, Tennessee, West Virginia, Pennsylvania, Michigan, and Colorado. Futbol Sites is continuing to build relationships with US sports betting operators for direct marketing campaigns and in the future the objective is to move to an affiliate revenue model.

Reverse Takeover

On April 19, 2021, the Company entered into a definitive business combination agreement with Apolo, a capital pool company listed on the TSX Venture Exchange (the "Exchange"), to effect a business combination of the two companies (the "Proposed Transaction"). The Proposed Transaction will be a reverse takeover of Apolo by the Company and its shareholders. Subject to the approval of the Exchange, the Proposed Transaction will constitute Apolo's Qualifying Transaction under Exchange Policy 2.4 – Capital Pool Companies.

Selected Annual Information

	March 31 2021 ($)	December 31 2020 ($)
Financial Position		
Current Assets	14,829,554	8,447,244
Total Assets	14,833,827	8,448,021
For the three months ended March 31	**2021 ($)**	**2020 ($)**
Operations		
Operating Loss	(208,434)	(152,326)
Comprehensive (Loss) Income	(427,406)	36,394
Comprehensive (Loss) Income per Share	(0.01)	0.00

Discussion of Results of Operations

Revenue

Given that the Futbol Sites acquisition occurred subsequent to quarter-end, Playmaker did not record any revenue during the three months ended March 31, 2021 or in the three months ended March 31, 2020.

Expenses

Operating expenses increased by $56,108 over the prior year driven mainly by the Company ramping up acquisition and operating activity partially offset by lower salaries and reductions in rent.

Comprehensive Loss

The Company recorded a loss of $427,406 during the three months ended March 31, 2021 compared to an income of $36,394 during the three months ended March 31, 2020. The decrease was mainly driven by movements in unrealized foreign exchange on cash, from an unrealized gain of $188,720 in Q1 2020 to an unrealized loss of $195,867 in Q1 2021 (a year over year change of $384,587), and the increase in operating expenses (refer to Expenses section above).

Additional Disclosure for Companies Without Significant Revenue

Since the Company has no revenue from operations, the following is a breakdown of the material costs incurred for the three months ended March 31:

	2021 ($)	2020 ($)
Salary and wages	22,414	97,058
Professional fees	175,621	13,625
General and administrative	10,026	40,937
Depreciation	373	706
Total Expenses	**208,434**	**152,326**

Liquidity

The financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to increase revenues until our operations are profitable.

The Company's objective in managing liquidity risk is to maintain sufficient liquidity to meet operational and investing requirements. The Company has historically financed its operations primarily through the sale of share capital – and may at times sell additional share capital to finance future acquisitions – the Company intends to acquire companies that are profitable or that have a clear path to profitability.

As at March 31, 2021, the Company had cash of $7,241,476 (December 31, 2020: $8,443,288) and working capital of $14,752,302 (December 31, 2020: $8,335,495).

During the three months ended March 31, 2021, the Company's overall position of cash and cash equivalents decreased by $1,201,812, which can be attributed to the following:

- Cash flows used in operations of $500,537 were a result of increased professional fees as the Company ramped up acquisition and operating activity and the impact of foreign exchange on our cash balance.
- Cash flows used in investing activities of $7,548,869 were primarily for the cash put into escrow to fund the initial US$6,000,000 payment on the acquisition of Futbol Sites. Those funds were released from escrow on April 1, 2021, when the Futbol Sites acquisition closed.
- Cash flows provided by financing activities of $6,847,594 are a result of the preferred share issuance in January 2021.

Capital Resources

At March 31, 2021, the Company's capital resources consisted primarily of cash and prepaid expenses.

Commitments

The Company entered into an agreement on April 29, 2021 to lease office space for a 5-year term beginning on November 1, 2021. The lease includes annual rent payments of approximately $128,500. The Company currently has no other commitments or lease agreements outstanding.

Transactions with Related Parties

Transactions with related parties are incurred in the normal course of business and initially recorded at fair value.

During the three months ended March 31, 2021, the Company incurred $nil (2020: $6,780) in occupancy costs for a space leased by VS Media Inc., an affiliate of a shareholder (Scott Moore).

During the three months ended March 31, 2021, the Company incurred general and administrative expenses of $2,554 (2020: $nil) which were paid for by Relay Ventures Canada Inc., an affiliate of a shareholder (Relay Ventures Fund III) and reimbursed by the Company.

As at March 31, 2021, there are $nil (December 31, 2020: $nil) balances owing to related parties.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Financial Instruments

The Company, as part of its operations, carries financial instruments consisting of cash and accounts payable and accruals.

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

> Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.
>
> Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
>
> Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

The carrying amount of cash and account payable and accruals approximates its fair value due to the short-term maturities of these items.

Outstanding Share Data

The Company is authorized to issue an unlimited number of Common Shares, issuable in series, of which an unlimited number are designated Series 1 Common Shares, an unlimited number are designated as Series 2 Common Shares and unlimited number are designated as Series 3 Common Shares (collectively, the “Common Shares”). The Company is authorized to issue an unlimited number of Class A Preferred Shares, which were redesignated from Seed Preferred Shares.

As of the date of this MD&A, the Company has 98,875,000 common shares, 122,650,000 Class A preferred shares, 7,625,000 stock options, 9,765,000 special warrants and 1,827,000 common warrants issued and outstanding.

The Company also has US $12,500,000 in convertible debentures outstanding. The convertible debentures were issued April 1, 2021 in connection with the acquisition of Futbol Sites.

The Company also has 48,000,000 subscription receipts outstanding. The subscription receipts will be indirectly and automatically exchanged for common shares of the resulting issuer upon completion of the proposed reverse takeover of Apolo by the Company. The proceeds of the transaction will be held in escrow until that time.

Financial Instruments and Financial Risk Exposures

The Company's financial instruments consist of cash, prepaid expenses and accounts payable. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or credit risk arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

The Company's risk exposure and the manner in which such exposure is managed is as follows:

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations with cash. The Company is expected to be able to satisfy its obligations in the near term with its cash balances and proceeds from future equity financings. As at March 31, 2021, the Company had a working capital balance of $14,752,302 (December 31, 2020: $8,335,495). As such, the Company currently has little exposure to liquidity risk.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk as its cash is held with a major Canadian financial institution.

Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in interest bearing accounts issued by its banking institutions. The Company periodically monitors its investment approach and is satisfied with the credit ratings of its banks.

Foreign exchange and currency risk

Foreign exchange risk is the potential loss from exposure to foreign exchange rate fluctuation. Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company has foreign exchange risk as certain of its investments are expected to be denominated in currency other than the Company's functional currency, Canadian Dollars. Currency risk arises from financial instruments (including cash and cash equivalents) that are denominated in a currency other than Canadian dollars. The Company does not utilize any financial instruments to hedge foreign exchange and currency risk – but it will reevaluate this position should foreign exchange risk increase as a result of making additional acquisitions of companies operating outside Canada.

Business Risks & Uncertainties

Limited Operating History

Playmaker is a privately held corporation which was incorporated under the laws of the Province of Ontario on July 16, 2019. Playmaker's lack of operating history may make it difficult for investors to evaluate Playmaker's prospects for success and there is no guarantee that Playmaker's business model will continue to achieve its strategic objectives. There is no assurance that Playmaker will be successful, and the likelihood of success must be considered in light of its relatively early stage of operation.

Uncertainty of Future Revenues

Although management is optimistic about Playmaker's prospects, there is no guarantee that expected outcomes and sustainable revenue streams will be achieved. Playmaker faces risks frequently encountered by early-stage companies.

In particular, its growth and prospects depend on its ability to expand its operation and grow its revenue streams whilst at the same time maintaining effective cost controls. Any failure to expand is likely to have a material adverse effect on Playmaker's business, financial condition and results.

Availability of Additional Financing

From time to time, Playmaker may need additional financing. Its ability to obtain additional financing, if and when required, will depend on investor demand, Playmaker's operating performance, the condition of the capital markets, and other factors. Playmaker cannot assure investors that additional financing will be available to it on favourable terms when required, or at all. If Playmaker raises additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences, or privileges senior to the rights of its common shares, and existing shareholders may experience dilution.

Rapid Growth

Playmaker's business has grown rapidly since its inception. If Playmaker continues its rapid growth, it may incur additional expenses, and its growth may place a strain on resources, infrastructure, and the ability to maintain the quality of its offerings. Playmaker's inability to properly manage or support its growth could have a material adverse effect on its business, financial condition and results of operations and could cause the market value of the Company's shares to decline.

Reliance on Advertisers for Revenue

Playmaker relies on advertisers to purchase inventory from Playmaker's network of digital media publishers. Playmaker's inability to secure contracts for advertising revenues may have a material adverse effect on its business, financial condition, and results of operations. There is no assurance that advertisers will continue to increase their purchases of online advertising or that the supply of advertising inventory on sports, media, gaming and betting digital media properties will not exceed the demand. If the industry grows more slowly than anticipated or if Playmaker's existing products and services lose, or its new products and services fail to achieve, market acceptance, Playmaker may be unable to achieve its strategic business objectives, which could have a material adverse effect on its prospects, business, financial condition or results of operation.

Dependence on Users and Audience

Playmaker's financial performance will be significantly determined by its success in adding, retaining, and engaging active users of its network of digital media properties. If users do not perceive Playmaker's content as interesting, unique and useful, Playmaker may not be able to attract or retain additional users, which could adversely affect the business.

Ability to Complete Favourable Acquisitions

As part of Playmaker's business strategy, it may attempt to acquire businesses that it believes are a strategic fit with its business, such as sports, media, gaming and betting digital media publishers. Playmaker may not be able to complete such acquisitions on favourable terms, if at all. Any future acquisitions may result in unforeseen operating difficulties and expenditures, and may absorb significant management attention that would otherwise be available for ongoing development of its business. Since Playmaker may not be able to accurately predict these difficulties and expenditures, these costs may outweigh the value it realizes from a future acquisition and any acquisition Playmaker completes could be viewed negatively by its advertisers. Future acquisitions could result in an issuance of securities that would dilute shareholders' ownership interest, the incurrence of debt, contingent liabilities, amortization of expenses related to other intangible assets, and the incurrence of large, immediate write-offs.

Limited Long-Term Agreements for Advertising Revenue

Playmaker's success requires it to maintain and expand its current advertising revenue-generating relationships and to develop new relationships. Playmaker's contracts that help drive advertising revenue generally do not include long-term obligations requiring third parties to purchase Playmaker's inventory and services or Playmaker to market their advertising inventory. As a result, Playmaker may have limited visibility as to its future advertising revenue streams. Playmaker cannot ensure its advertising revenue generating sources will continue to operate or that Playmaker will be able to replace, in a timely or effective manner, departing clients with new sources that generate comparable revenue. Any non-renewal, renegotiation, cancellation or deferral of significant advertising contracts that in the aggregate account for a significant amount of revenue, could have a material adverse effect on Playmaker's prospects, business, financial condition, and results of operations.

Key Personnel

Playmaker currently depends on the continued services and performance of its key personnel. The loss of key personnel, including members of management as well as other key personnel, could disrupt Playmaker's operations and have an adverse effect on its business and customer relationships. Additionally, Playmaker's success depends on the efforts and abilities of management to attract and retain qualified personnel to manage operations and growth. Failure to attract key individuals may have an adverse effect on the business, operations, and results.

Governmental Regulation

Playmaker is subject to general business regulations and laws as well as regulations and laws specifically governing sports, gaming, betting, and the internet. Existing and future laws and regulations may impede Playmaker's growth strategies. These regulations and laws may cover taxation, privacy, data protection, pricing, content, copyrights, distribution, consumer protection, web services, websites, and the characteristics and quality of products and services. Unfavourable changes in regulations and laws could decrease demand for Playmaker's digital media properties and inventory and increase its cost of doing business or otherwise have a material adverse effect on Playmaker's reputation, popularity, results of operations, and financial condition.

Technical Requirements of Playmaker's Adtech and Programmatic Optimization Tools

The adtech and programmatic optimization tools utilized by Playmaker enable Playmaker to target advertisements by a number of factors, including age, gender, income, occupation, etc. There can be no assurance that the adtech and programmatic optimization tools utilized by Playmaker will not be enhanced or rendered obsolete by advances in technology, or that Playmaker will be able to utilize the adtech or programmatic tools necessary to remain competitive. This could have an adverse effect on Playmaker's business, operations and financial condition. Moreover, the adtech and programmatic optimization tools utilized by Playmaker are highly technical and complex and may now or in the future contain, undetected errors, bugs, or vulnerabilities which may result in unsuccessful advertising campaigns. Any unsuccessful advertising campaigns could result in damage to Playmaker's reputation, loss of users, loss of revenue, or liability for damages, any of which could adversely affect Playmaker's business and financial results.

Use of Ad-Blockers

The success of Playmaker's business model depends on its ability to deliver targeted, highly relevant ads to users of Playmaker's network of digital media properties. Targeted advertising is done primarily through analysis of data, much of which is collected on the basis of user-provided permissions. This data might include a user's location, or data collected when users view an advertisement or when they click on or otherwise engage with an advertisement. Users may elect not to allow data sharing for targeted advertising for a number of reasons, such as privacy concerns. In addition, companies are constantly developing products that enable users to prevent advertisements from appearing on their web browsers. Wider adoption of these products could have a material adverse effect on Playmaker's prospects, business, financial conditions, and results of operations.

Misappropriation of Playmaker Intellectual Property

Protection of Playmaker's intellectual property, including trademarks and domain names ("IP") are important to its success. Playmaker currently protects its IP rights by relying on common law rights. These steps may not be sufficient to prevent the misappropriation of Playmaker's proprietary information or deter independent development of similar products and services by others.

In the future, should Playmaker proceed to register its IP, it would be a process that is likely expensive and time consuming and ultimately, it may not be successful in registering its IP. The absence of registered IP rights, or the failure to obtain such registrations in the future, may result in Playmaker being unable to successfully prevent its competitors from imitating its products, services, and processes. Such imitation may lead to increased competition. Even if Playmaker's IP rights were registered, its IP rights may not be sufficiently comprehensive to prevent its competitors from developing similar competitive products, services, and processes.

Litigation may be necessary to enforce Playmaker's IP rights. Litigation of this nature, regardless of the outcome, could result in substantial costs, adverse publicity or diversion of management and technical resources, any of which could adversely affect Playmaker's business and operating results.

Moreover, due to the differences in foreign laws concerning proprietary rights, Playmaker's IP may not receive the same degree of protection in foreign countries as it would in Canada or the United States. Playmaker's failure to possess, obtain or maintain adequate protection of its IP rights for any reason could have a material adverse effect on its business, results of operations, and financial condition.

Playmaker may face allegations that it has infringed the trademarks, copyrights, patents, and other IP rights of third parties, including from its competitors and former employers of Playmaker's personnel.

If Playmaker's products, services, or solutions employ subject matter that is claimed under its competitors' IP, those companies may bring infringement actions against Playmaker. Whether a product infringes a patent or other IP right involves complex legal and factual issues, the determination of which is often uncertain.

Infringement and other IP claims, with or without merit, can be expensive and time consuming to litigate, and the results are difficult to predict. Playmaker may not have the financial and human resources to defend against any infringement suits that may be brought. As the result of any court judgment or settlement, Playmaker may be obligated to stop offering certain features, pay royalties or significant settlement costs, purchase licenses or modify its software and features, or develop substitutes.

Competition

The digital media advertising market is highly competitive and quickly changing. Playmaker faces competition from a variety of digital media publishers all over the world. Some of Playmaker's current and potential competitors have significantly greater resources and better competitive positions in certain markets than Playmaker does. These factors may allow Playmaker's competitors to respond more effectively than Playmaker to new or emerging technologies and changes in market requirements. Including changes to government regulation.

There is no certainty that Playmaker's competitors will not develop similar or superior services which may render Playmaker uncompetitive. Certain competitors have more established relationships and greater financial resources and they can use their resources against Playmaker in a variety of competitive ways, including by making acquisitions, investing aggressively in research and development, and competing aggressively for advertisers, technologies, digital media rights, websites, and applications. If competitors are more successful than Playmaker in developing compelling products and engaging content or in attracting and retaining users, advertisers, and digital media rights, Playmaker's revenues, growth rates, and the value of its digital assets could be negatively affected. There is no assurance that Playmaker will be able to maintain its position in the marketplace.

Reliance on Third-Party Owned Communication Networks

The delivery of Playmaker's products and services and a significant portion of Playmaker's revenues are dependent on the continued use and expansion of third party owned communication networks, including wireless networks and the internet. No assurance can be given of the continued use and expansion of these networks as a medium of communications for Playmaker.

Effective delivery of Playmaker's products and services through the internet is dependent on Internet service providers continuing to expand high-speed internet access, maintaining reliable networks with the necessary speeds, data capacity and security, and developing complementary products and services for providing reliable and timely access and services. Changes in access fees (for example, revising the application of bandwidth caps or other metered usage schemes) to users may adversely affect the ability or willingness of users to access Playmaker's content. Changes in access fees to distributors, such as Playmaker or its service providers, or a departure from "net neutrality" (the principle that all forms of internet traffic (including video, voice, and text) are subject to equal treatment in transmission speed and quality) or its governing regulations, could result in increased costs to Playmaker. All of these factors are out of Playmaker's control and manifestation of any of them could ultimately have a material adverse effect on Playmaker's prospects, business, financial condition or results of operations.

In addition, increasing traffic, user numbers or bandwidth requirements may result in a decline in internet (or a subset thereof, including in particular mobile internet) performance and/or reliability. Internet outages, delays or loss of network connectivity may result in partial or total failure of Playmaker's services, additional and unexpected expenses to fund further product development or to add programming personnel to complete a development project, or the loss of revenue because of the inability of users to access Playmaker's network of digital properties, any of which could have a material adverse effect on Playmaker's prospects, business, financial condition or results of operations.

Security of Digital Media Properties

Playmaker cannot guarantee absolute protection against unauthorized attempts to access its information technology systems, including malicious third-party applications or denial of service attacks that may interfere with or exploit security flaws in its digital media properties. Viruses, worms, and other malicious software programs could jeopardize the security of information stored in a user's computer or in Playmaker's computer systems or attempt to change the internet experience of users by interfering with Playmaker's ability to connect with a user. If any compromise to Playmaker's security measures were to occur and Playmaker's efforts to combat this breach were unsuccessful, Playmaker's reputation may be harmed leading to an adverse effect on Playmaker's financial condition and future prospects.

The Company may issue additional equity securities, or engage in other transaction that could dilute its book value or affect the priority of the shares currently outstanding, which may adversely affect the market price of those shares

The board of directors of the Company may determine from time to time that it needs to raise additional capital by issuing additional shares or other securities. Because the Company's decision to issue securities in any future offering will depend on market conditions and other factors beyond the Company's control, it cannot predict or estimate the amount, timing, or nature of any future offerings, or the prices at which such offerings may be affected. Additional equity offerings may dilute the holdings of its existing shareholders or reduce the market price of its common stock, or both.

Currency fluctuations

Playmaker's reporting currency is Canadian dollars but a significant proportion of Playmaker's revenue may be earned and expenses may be incurred in other currencies. The movement of the Canadian dollar against other currencies could have a material adverse effect on Playmaker's prospects, business, financial condition, and results of operation.

Losses and negative operating cash flows

Playmaker may generate operating losses and negative cash flows in the future while it carries out its current business plan to further develop and expand its network of digital media properties. Playmaker has made significant up-front investments in acquiring significant digital media assets, marketing, and general and administrative expenses in order to rapidly develop and expand its business. The successful development and commercialization of these operations will depend on a number of significant financial, logistical, technical, marketing, legal, competitive, economic and other factors, the outcome of which cannot be predicted. There is no guarantee that Playmaker's operations will be profitable or produce positive cash flow or that Playmaker will be successful in generating significant revenues in the future or at all. While Playmaker can utilize cash and cash equivalents to fund its operating and growth expenditures, it does not have access to significant committed credit facilities or other committed sources of funding. Playmaker's inability to ultimately generate sufficient revenues to become profitable and have positive cash flows could have a material adverse effect on its prospects, business, financial condition, results of operations or overall viability as an operating business.

Critical Accounting Estimates

The preparation of the Company's unaudited financial statements in accordance with IAS 34 requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

The following are the critical judgments that have been made in applying the Company's accounting policies and that have the most significant effect on the amounts in the financial statements:

Income Taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Share-based compensation

The Company is required to make certain estimates when determining the fair value of stock option awards and the number of awards that are expected to vest. These estimates affect the amount recognized as share-based compensation in the consolidated statements of loss and comprehensive loss.

Significant Accounting Policies

The Company’s significant accounting policies are summarized in Note 3 to the audited financial statements for the year ended December 31, 2020 and the period from July 16, 2019 to December 31, 2019.

Future Changes in Accounting Policies

There are no new standards issued by the International Accounting Standards Board (“IASB”) that were not effective at March 31, 2021 that are expected to have a significant impact on the Company.

Cautionary Statement Regarding Forward Looking-Statements

This MD&A contains certain statements that may be deemed “forward-looking statements”, including statements regarding developments in the Company’s operations in future periods, adequacy of financial resources and future plans and objectives of Company. All statements in this document, other than statements of historical fact, which address events or developments that the Company expects to occur, are forward looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “projects”, “potential”, “interprets” and similar expressions, or events or conditions that “will”, “would”, “may”, “could” or “should” occur.

Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include, among other things, continued availability of capital and financing, market or business conditions, and other factors. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Readers are cautioned not to place undue reliance on this forward-looking information.

Forward-looking statements are based on the beliefs, estimates and opinions of the Company’s management on the date the statements are made. The Company undertakes no obligation to update these forward-looking statements in the event that Management’s beliefs, estimates, opinions or other factors should change except as required by law